

ALASKA STATE LEGISLATURE
HOUSE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE

March 2, 2021

3:04 p.m.

MEMBERS PRESENT

Representative Liz Snyder, Co-Chair (via teleconference)
Representative Tiffany Zulkosky, Co-Chair (via teleconference)
Representative Ivy Spohnholz (via teleconference)
Representative Zack Fields (via teleconference)
Representative Ken McCarty (via teleconference)
Representative Mike Prax (via teleconference)
Representative Christopher Kurka (via teleconference)

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

EXECUTIVE ORDER 119 - DHSS REORGANIZATION

- HEARD AND HELD

HOUSE BILL NO. 76

"An Act extending the January 15, 2021, governor's declaration of a public health disaster emergency in response to the novel coronavirus disease (COVID-19) pandemic; providing for a financing plan; making temporary changes to state law in response to the COVID-19 outbreak in the following areas: occupational and professional licensing, practice, and billing; telehealth; fingerprinting requirements for health care providers; charitable gaming and online ticket sales; access to federal stabilization funds; wills; unfair or deceptive trade practices; and meetings of shareholders; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 76

SHORT TITLE: EXTENDING COVID 19 DISASTER EMERGENCY

SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

02/18/21 (H) READ THE FIRST TIME - REFERRALS

02/18/21	(H)	HSS, FIN
02/19/21	(H)	HSS REFERRAL REMOVED
02/19/21	(H)	BILL REPRINTED
02/26/21	(H)	FIN AT 1:30 PM ADAMS 519
02/26/21	(H)	-- MEETING CANCELED --
03/01/21	(H)	HSS REFERRAL ADDED BEFORE FIN
03/01/21	(H)	BILL REPRINTED
03/02/21	(H)	HEALTH & SOCIAL SERVICES at 3:00 PM BY TELECONFERENCE

WITNESS REGISTER

LYNN BIGGS, Senior Director/Strategic Consultant
Casey Family Programs
Yakima, Washington

POSITION STATEMENT: Testified in support of Executive Order 119 and shared a PowerPoint presentation on Casey Family Programs.

RYAN MCKEE, State Director
Americans for Prosperity
Wasilla, Alaska

POSITION STATEMENT: Provided testimony on Executive Order 119.

TREVOR STORRS, President and CEO
Alaska Children's Trust
Anchorage Alaska

POSITION STATEMENT: Provided testimony on Executive Order 119.

CHIEF "PJ" POLLACK B. SIMON, JR., Chief and Chair
Tanana Chiefs Conference
Fairbanks, Alaska

POSITION STATEMENT: Testified on behalf of the Tanana Chiefs Conference on Executive Order 119.

ADAM CRUM, Commissioner
Department of Health and Social Services
Anchorage, Alaska

POSITION STATEMENT: Presented HB 76 on behalf of the bill sponsor, House Rules by request of the governor.

HEIDI HEDBERG, Director
Division of Public Health
Department of Health and Social Services
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB 76.

ACTION NARRATIVE

[3:03:37 PM](#)

CO-CHAIR TIFFANY ZULKOSKY called the House Health and Social Services Standing Committee meeting to order at 3:04 p.m. Representatives Fields, Kurka, Snyder, Spohnholz, Prax, and Zulkosky were present (via teleconference) at the call to order. Representative McCarty arrived (via teleconference) as the meeting was in progress.

EXECUTIVE ORDER 119 - DHSS REORGANIZATION

[3:04:35 PM](#)

CO-CHAIR ZULKOSKY announced that the first order of business would Executive Order (EO) 119 - Department of Health and Social Services reorganization.

[3:05:55 PM](#)

LYNN BIGGS, Senior Director, Strategic Consultant, Casey Family Programs, testified in support of EO 119. She introduced a PowerPoint presentation on Casey Family Programs. She began by outlining her presentation and described the PowerPoint as discussing the pros and cons of various organizational structures and reorganization. She commented that committee members should have access to the Alaska Tribal Child Welfare Compact technical assistance, findings, and recommendations regarding the compact. She also noted that she would provide information on staff turnover, and that committee members should have a related information packet.

MS. BIGGS stated that Casey Family Programs (CFP) is very committed to Alaska and improving outcomes for Alaska children, teenagers, and families. She explained that CFP has been working with the compact and with tribal state groups on disproportionality and prevention. She offered some background information about CFP from slide 2 of her presentation which read as follows [original punctuation provided]:

- The nation's largest operating foundation focused on safely reducing the need for foster care and building Communities of Hope for children and families.
- We work to influence long-lasting improvements to the safety and success of children, families and the communities where they live.

- Operating in all 50 states, DC, Puerto Rico, and the Virgin Islands.
- Direct agreements with 16 tribes.
- 9 field offices provide direct services to youth in care.

MS. BIGGS added that in Alaska CFP has agreements with Tanana Chiefs Conference, Tlingit and Haida Indian Tribes of Alaska, and Kawerak, Inc.

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MS. BIGGS continued to slide 3 in her presentation, which read as follows [original punctuation provided]:

Casey Family Programs' Work with Alaska

- Casey Family Programs has been working and investing in Alaska since the year 2000.
- We have worked with the State, Tribes, philanthropic organizations, the University of Alaska, and others to effect positive, improved outcomes for Alaskan children and families.
- We have sponsored statewide efforts to address Adverse Childhood Experiences in Alaska and to safely reduce the need for foster care.

MS. BIGGS commented that one of CFP's biggest concerns has been disproportionality. She shared that despite numerous efforts there has not been a reduction in disproportionality. She resumed presenting with slide 4, which read as follows [original punctuation provided]:

An Alaska Native infant (age 1 or younger) has a 15% chance of being the subject of a child abuse and neglect investigation. An Alaska Native child has an 80% chance of being the subject of a child abuse and neglect investigation by age 18.

- Casey Family Programs has actively supported efforts to reduce disproportionality of Native children in foster care in Alaska.
- We have sponsored Alaska's Strategic Plan of 2016-2020 to 'Transform Child Welfare Outcomes for Alaska Native Children'.
- We are strong supporters of Alaska's Tribal State Child Welfare Compact and its full implementation.
- We participate in Alaska's longstanding Tribal State Collaboration Group.

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MS. BIGGS continued to slide 5 in her presentation, which read as follows [original punctuation provided]:

Casey Support for the Alaska Tribal Child Welfare Compact

- Tribes know the needs of their children and families, their culture and traditions.
- Tribes are best suited to administer and deliver services.
- Casey Family Programs currently funds two contract positions: a project manager and a Tribal liaison.
- Casey is committed to supporting the Compact implementation and sustainability through consulting and technical assistance, regardless of state agency structure.

MS. BIGGS shared that in support of the compact, CFP had contracted with a project manager and tribal liaison.

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MS. BIGGS turned attention to on data slides 6 and 7 and paraphrased the information on the slides. She explained that the information on the slides underscored the racial disparity in Alaska. She pointed out that Alaska Native children are 17 percent of the child population, but when looking at poverty, the number rises to 35 percent. When looking at children screened for investigation 50 percent are Alaska Native, and 57 percent are confirmed as maltreated, she stated.

MS. BIGGS then addressed the graphs on slide 7. She again noted that the child population [is] 17 percent [Alaska Native], but they are entering foster care at a rate of 47 percent for American Indian or Alaska Native. She continued, stating that 45 percent of kids in care are Alaska Native; children in care for two years or longer is 48 percent Alaska Native, and youth aging out of care is 51 percent Alaska Native.

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MS. BIGGS moved onto slide 8, which displayed a graph of the rate of children entering care from 2010-2019. She pointed out that the rate of children entering care was very high at 21.2

per 1,000 children for Alaska Native children, far exceeding all the other groups. All of that, she explained, was to underscore how pervasive the disproportionality issue is. She said that is why CFP feels so strongly about the compact as a very hopeful and helpful strategy to improve outcomes.

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REPRESENTATIVE PRAX interjected to ask if the committee members can ask questions now.

CO-CHAIR ZULKOSKY asked for questions to wait until the end of the presentation.

[3:13:08 PM](#)

MS. BIGGS continued to slide 9, which read as follows [original punctuation provided]:

Alaska Tribal Child Welfare Compact

What is the Compact?

- Groundbreaking opportunity: Government-to-Government agreement
- A contractual agreement to transfer State general funds to Tribal Co-signers to provide select services on behalf of the State.
- 18 Co-signers representing 163 Tribes throughout the state.
- Took effect January 1, 2018
- State continues to have decision-making authority over child welfare cases.
- Addresses mutual vision of success, information sharing, shared responsibility and liability.

MS. BIGGS skipped slide 10 and read from slide 11, which read as follows [original punctuation provided]:

Challenges to Compact Implementation & Sustainability

- Lack of existing systems to support implementation: Referral process and tracking outcomes is complex for State and Tribes.
- High caseloads and turnover of local OCS caseworkers may make local or regional referrals impossible.
- Lack of adequate State staff and Tribal Co-Signers' staff dedicated to manage Compact.

- State funding for one staff per Co-Signer does not account for varying capacity among Tribes.
- Lack of staffing that will promote sustainability: including development and monitoring of quality improvement measures.

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MS. BIGGS moved to slide 12 and paraphrased the information listed, which showed examples of how some states administer child and family services through a continuum of structural configurations. She said one is through multiple cabinet-level agencies, one is a single consolidated health and human services agency, and then one other way is through various agency combinations of child welfare, early childhood [programs], juvenile justice, and so on.

MS. BIGGS paraphrased slide 13 which read as follows [original punctuation provided]:

No Research Evidence of an Ideal Organizational Structure

Governors and state legislatures have long reorganized state agencies in an effort to improve outcomes and services.

Research is lacking. The limited research and extensive state experiences tell us:

- No ideal structure: Every approach has pros and cons.
- Positive child and family outcomes cannot be attributed to a particular model.
- No research evidence of improved accountability or service quality with reorganization.
- Organizational climate and culture (low conflict, cooperation, role clarity) may contribute more to outcomes than interagency coordination structures.

MS. BIGGS moved to slides 14 through 17 and informed the committee she wouldn't go through them [in detail] but said committee members could see the pros and cons from each structure.

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MS. BIGGS moved to slide 18 and explained her reasoning behind using the State of Washington as an example. She said it was a

more recent example of the organization and it shows how much went into that as far as background and planning, stakeholder engagement, and inclusion of tribes and communities which were all part of [Washington State's] structure.

MS. BIGGS quickly ran through slides 19 through 21, which continued to outline the example of Washington State and lessons that can be learned from it. She noted that the use of data is extremely important to determine priorities, and that desired outcome should drive the structure. She said inclusion of tribes, communities, people with lived experiences, and as many stakeholders as possible ensures that agency resources are aligned with desired outcomes. Transition to a new structure usually takes two to five years: one year or more for planning/preparing and up to five years for implementation. She shared that implementation science has been utilized in many of these, because it usually takes a long time and is disruptive to some extent.

MS. BIGGS continued to paraphrase from slide 21 sharing that another lesson was to plan carefully for the separation from a single consolidated agency to a separated or bifurcated agency, to ensure that the resources are adequate, and that strong leadership, continuous improvement systems, and accountability mechanisms are important regardless of structure.

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MS. BIGGS turned to slide 22, "High Costs of Child welfare Workforce Turnover for Children & Families," which read as follows [original punctuation provided]:

- Studies in Colorado and Wisconsin found that case worker turnover dramatically increases the time to achievement of a permanent family for children in foster care.
- A study by the U.S. Government Accountability Office (GAO 03-357) found that caseworker turnover contributed to states' failure to meet federal performance standards including:
 - Timely response in child protection investigations,
 - Timely closure of investigations (an important factor in both workload and families' need for resolution),
 - Frequency of caseworker contact,
 - Maltreatment recurrence, and

- Timely attainment of permanency for children in out of home care.

MS. BIGGS read from slide 23, "Other Costs of Child Welfare Workforce Turnover," which read as follows [original punctuation provided]:

- Direct costs of overtime, worker separation, and hiring/training new staff.
- Domino Effect: Remaining staff are more likely to leave.
- Indirect costs for other workers (increased paperwork and case management, emotional exhaustion, supervisors redirecting time to providing direct service).
- Financial costs: Every time a caseworker leaves, the cost to the child welfare agency is 30-200 % of the exiting employee's annual salary.

MS. BIGGS next shared slide 24, which read as follows [original punctuation provided]:

What Causes Caseworkers to Leave?

- A meta-analysis of 22 studies identified 36 variables that most affected caseworkers' intention.
- Factors that have the greatest effect: Stress, emotional exhaustion, organizational commitment, job satisfaction.

What are the Essential Foundational Steps that Agencies Need to Take?

- Conduct their own outreach and inquiry to determine the causes of their workers' dissatisfaction and turnover.
- Develop and implement a comprehensive workforce development plan that responds to the state workforce needs.
- Build a supportive agency culture, regardless of agency structure.

MS. BIGGS moved to slide 25, "What Works to Reduce Turnover?" and presented a list which read as follows [original punctuation provided]:

What Works to Reduce Turnover?

1. Analysis of turnover and organizational environment; assessment of caseload/ workload.

2. Building, leading & elevating a comprehensive workforce development plan.
3. Identifying the right competencies: Job analyses, specialized positions to support best practices.
4. Educating/preparing the right students: University-agency partnerships, financial supports for students & existing staff.
5. Finding/hiring the best applicants.
6. Onboarding and welcoming new staff.
7. Providing incentives and a range of supports for staff.
8. A comprehensive training system.
9. Effective management and supervision.
10. Healthy agency climate and culture.

MS. BIGGS concluded the presentation and asked for questions.

3:22:39 PM

CO-CHAIR ZULKOSKY noted that there are many others who want to testify, and they only have time for a couple of questions.

REPRESENTATIVE PRAX recollected that Ms. Biggs had mentioned that 80 percent of Native children end up in abusive situations but offered his understanding that the Native culture is built upon raising children. He commented that he didn't understand that, because it was an inherent contradiction and suggested there must be more to it than that. He asked Ms. Biggs to elaborate on that.

MS. BIGGS asked Representative Prax to clarify whether he was asking why there is an 80 percent chance of an Alaska Native child being the subject of child abuse.

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CO-CHAIR ZULKOSKY interjected that "this is probably not the environment for that conversation, and any questions about disproportionality and cultural impacts are probably best suited for additional testifiers at another time." She said the focus of the meeting was on the structure of the department and not the disparities that are identified. She told Ms. Biggs she didn't have to spend her time talking about the impacts or the specifics of cultural implications but asked her if she could talk about "any contributing factors to disproportionality."

MS. BIGGS said one of the contributing factors is institutional racism. She argued that sometimes the questions of safety and risk are complicated and should be separated to determine if the child is unsafe or at risk. She also suggested that sometimes social workers don't have a lot of experience and are sometimes biased.

REPRESENTATIVE PRAX asked if the study is something CFP conducted for the state, or if it was general theory.

MS. BIGGS responded that these statistics came from data that showed how Alaska Native children were disproportionately in foster care.

REPRESENTATIVE PRAX asked if Ms. Biggs looked at Alaska's care system specifically.

CO-CHAIR ZULKOSKY clarified for Ms. Biggs that there were new members on the committee since the last time she presented, so it could be helpful to discuss CFP's work with the Department of Health and Social Services (DHSS).

MS. BIGGS responded that the organization has worked in Alaska since 2000 with both the state and tribes. The goal is to improve outcomes for children in foster care and to reduce disproportionality. She said that more recently CFP has been focusing on prevention and strategies like in home services.

[3:28:41 PM](#)

REPRESENTATIVE SPOHNHOLZ asked about the challenges in tribal child welfare compacting and asked if there is a specific driver that challenges that, or if there are a series of factors.

MS. BIGGS responded that she thinks there was a series, including a lack of staff dedicated to implementation, the complexity of some of the scopes of work, and a lack of processes in place to successfully implement it.

REPRESENTATIVE SPOHNHOLZ agreed that one staff doesn't seem enough to support the work. She discussed the lessons learned from Washington State and asked about the two to five years necessary to implement a complex transition.

MS. BIGGS responded that there needs to be more stakeholder engagement. She argued more time needs to be spent with those most impacted by a transition to create buy-in and input. She

said this included current staff, community members, and children with lived experiences, other agencies, and philanthropic organizations.

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RYAN MCKEE, State Director, Americans for Prosperity, shared his testimony regarding EO 119. He stated that Americans for Prosperity did not have an official stance on EO 119 but did see some benefits to bifurcating DHSS. He pointed out that it is a large department with over 3,400 employees, and that splitting it up would help focus on more specific portions of everything that is in DHSS. He argued that with more specific tasks assigned to employees, they would have a better chance to excel at their jobs rather than trying to tackle everything that comes at them. He noted that the Office of Children's Services (OCS) has roughly a 50 percent turnover rate, which costs about \$13 million a year. He also argued that a lot of work and improvement needs to come from the Medicaid sector and that is why the organization would support DHSS's employees being able to focus more on those specific tasks.

MR. MCKEE said that from a fiscal standpoint, Americans for Prosperity realizes that there will be added costs, specifically the 13 new positions and the 15 declassified positions. He noted that the organization is opposed to any duplicate positions. it does not see any doubling of efforts in EO 119, but sees it as focused on alignment of current operations.

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REPRESENTATIVE SPOHNHOLZ asked Mr. McKee about how simplifying workloads would reduce turnover in OCS. She observed that EO 119 doesn't simplify OCS, but instead creates new administrative executive positions, which she argues wouldn't change the workload. She asked if Americans for Prosperity supports creating more administrative overhead without providing more simplicity or frontline workers.

MR. MCKEE responded that Americans for Prosperity has not taken a position on EO 119 yet. He said the organization thinks the additional positions are necessary to split [DHSS] into two different groups, but it is not supportive of a blanket increase in administrative positions. He commented that while more information is needed, the organization does see some benefits.

REPRESENTATIVE SPOHNHOLZ argued that the proposal creates additional executive leadership positions and doesn't simplify front line workers' duties in any way, in effect creating more bureaucracy and overhead.

[3:38:28 PM](#)

CO-CHAIR FIELDS stated that for a long time Americans for Prosperity did not acknowledge the beneficial economic impacts of public employment. He asked about the change in its approach to economic development in Alaska.

MR. MCKEE responded that the organization has not changed its stance on certain issues. He clarified that the organization is not opposed to public employees, who he said play a crucial role in Alaska. However, he argued that the organization does see that [EO 119] could be beneficial and is willing to explore the opportunity. He indicated the organization is interested in the discussion surrounding this issue and to see how it would play out to separate the two divisions.

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TREVOR STORRS, President and CEO, Alaska Children's Trust, stated that his testimony would focus solely on 119 and not the potential bifurcation of the Office of Children's Services. He stated that as the statewide leader in the prevention of child abuse and neglect, the Alaska Children's Trust (ACT) applauds the commissioner [of the Department of Health and Social Services (DHSS)] for challenging how the current system is functioning. He informed the committee members that ACT and DHSS have teamed up to host discussions with leaders serving children and families and to co-host a townhall meeting for the public. However, he noted, (ACT) is neither for nor against the bifurcation. He said the goal of his testimony was to share the questions and concerns that ACT and its partners have related to the bifurcation, which have been shared with DHSS.

MR. STORRS said the most important questions are whether the bifurcation would improve supports and services, and how [it would achieve that]. He shared that according to the Annie E. Casey Foundation, overall, Alaska is ranked 36th in the nation for children's wellbeing. He said that nearly 15 percent of Alaska's children live at or below the national poverty level, only one third are kindergarten ready, and most are reading below proficiency at the third and fourth grade level. He continued and pointed out that Alaska has the third largest rate

of uninsured children and annually over 3,000 children in the foster care system. He also noted that even pre-COVID-19, suicide ideation was up for children in Alaska. He argued that it is important that DHSS outline how the bifurcation will empower children and families to thrive.

MR. STORRS said a question he has heard from many organizations and individuals is "Why now?" He pointed out that in two weeks, it will have been a full year since COVID-19. People are overwhelmed and exhausted, he said. He defined toxic stress as prolonged activation of stress responses in the absence of a protective relationship, which he argued captured the impact of COVID-19. He explained that toxic stress response can have a huge toll on people's physical and mental health.

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MR. STORRS stated that the proposed bifurcation is a huge change that individuals in and outside of DHSS will have to manage. He opined that so much has been asked of these organizations over the past 12 months, and Alaska needs them to remain strong. He asked if the change was so imperative that it needed to happen now, or if it could wait. He further asked, if this was imperative, what steps are being taken to ensure individuals and organizations receive the support needed to manage the additional anxiety it is causing.

MR. STORRS said a major complaint shared has been a lack of shareholder engagement, and again noted that ACT will be hosting discussions regarding the bifurcation, although some stakeholders find this late in the process. He explained that waiting to engage with stakeholders within days of the deadline has caused trust issues with community partners.

MR. STORRS said an additional concern is how the bifurcation will be cost neutral. He said there will be additional costs that will have to come from existing funding. He asked where this funding will come from and how it will impact the programs it is being taken from. He explained that the greatest fear for organizations is that a greater burden will be put on families and organizations. He argued that community partners want DHSS to be successful, but they cannot help without being truly invited to the table. He concluded that Alaskans all share the same goal of wanting families and children to thrive. He challenged the committee members to imagine the outcome if [stakeholders and government] were to join forces to make Alaska the best state to grow up in.

[3:47:39 PM](#)

CO-CHAIR SNYDER asked about the upcoming town hall and who can attend.

MR. STORRS responded that there are two town halls and the first is specifically targeting community partners. He said anyone who provides services is welcome, although this is targeted at executive level [individuals] who deal with policy changes. The second will be broadcasted for anyone in the public to join, hear about the bifurcation, and ask questions.

[3:49:40 PM](#)

REPRESENTATIVE MCCARTY asked about the workforce and caseload for OCS. He asked if there was a point when ACT will be taking a position, and if the committee members would be able to hear back on what the position is.

MR. STORRS explained that he did not address [bifurcation] purposefully, since it was not part of EO 119. He said that ACT has similar concerns [about OCS]. He commented that [DHSS Commissioner Crum] has been working with the [Alaska Tribal Health Compact] tribal caucus and will be having further discussions with ACT around [OCS]. He said ACT is putting together a letter and getting different partners to review it and sign on to bring the commissioner and his team up to speed on where [ACT and its partners] as community leaders are at, and how they can help DHSS be successful.

MR. STORRS mentioned that he had testified before the previous legislature's House Standing Committee on Health and Social Services, and he offered to forward that testimony to current members.

[3:52:36 PM](#)

CO-CHAIR ZULKOSKY shared that her office will share that information.

REPRESENTATIVE MCCARTY asked if Mr. Storrs could share solutions for this issue.

MR. STORRS said he would be happy to, but there wasn't time today. He stated that everyone is correct that OCS is overrun. He said to see fewer families in the childcare system, "we

really need to work upstream." He argued that data needs to be used to have an authentic conversation about what the state can be doing. He offered examples of working with youth, making sure that the school systems have a comprehensive human development curriculum [which teaches] how trauma impacts the brain, and how the brain develops, because all the kids going through K-12 are the future parents.

MR. STORRS shared that 70-75 percent of the kids in the child welfare system were unplanned and unwanted, which puts them at the highest risk level. He argued for making sure that contraceptive family planning [is available] in Alaska. He acknowledged how that could be a challenge to some people's personal values, but good family planning is very key. He also pointed out that poverty puts families at greater risk because they have less access to support services, resources, and skills and knowledge needed to be successful. He explained that if families can space out their children, their level of poverty is decreased. He again said the problem is upstream, mentioned shortening "the line," and indicated that would result in fewer cases going through the child welfare system.

[3:56:07 PM](#)

REPRESENTATIVE SPOHNHOLZ thanked Mr. Storrs for his work and the work of his team at ACT in keeping families together. She also thanked him for bringing up the issue of toxic stress in the middle of COVID-19 and agreed that employees in the department of Health and Social Services were also experiencing this level of stress. She thanked him for facilitating stakeholder engagement through townhalls. She raised concern that the public townhall was scheduled after the legislature's deadline to act on EO 119. She stressed that DHSS is a large department and many individuals and private businesses across the state will be impacted by this. She asked what meaningful stakeholder engagement would look like.

MR. STORRS responded that partners feel same, and that there should have been a better plan after the announcement was made for these kinds of conversations to happen. He said ACT understood why DHSS may not have done stakeholder engagement with the question of bifurcation, since it is a big organization and internal experts may best be able to answer that question. He suggested that the big question is how to make sure the services are consistent. To do that [would require] listening sessions [with partners], synthesizing the information and going back to providers with a proposal, and then asking for further

feedback, he said. He commented that he is excited that the commissioner is looking into having a key liaison between partners and stakeholders. He said that there are issues with trust with DHSS, but the stronger the [stakeholders'] relationship [with DHSS], the more successful they will be.

REPRESENTATIVE SPOHNHOLZ said stakeholder engagement sounded like a very complicated process and probably needed more than one or two listening sessions.

MR. STORRS agreed and said it would be better to sit down and discuss this topic. He said he didn't want it to seem like ACT was coming up with [an answer] and suggested that a small task force would need to come up with a plan and find ways to enact that plan.

[4:02:14 PM](#)

CO-CHAIR ZULKOSKY asked if ACT was engaged in substantive conversations about the concept of splitting DHSS prior to the announcement in December.

MR. STORRS responded no. He shared that he was not contacted. He said it was indicated that he was on a list to have been given a heads up prior to [the announcement], but he was the one who made the initial contact.

[4:03:23 PM](#)

CO-CHAIR ZULKOSKY acknowledged that discussion was running long, but she felt it was an important topic.

CHIEF "PJ" POLLACK B. SIMON, JR., Chief and Chairman, Tanana Chiefs Conference (TCC), shared that TCC is an intertribal consortium that provides health and social services to 16,000 Alaska Natives living Fairbanks and the surrounding villages. He mentioned that TCC is a cosigner to the Indian Health Services Compact, the agreement which gives TCC the authority to provide health services to tribal members on behalf of the United States Federal Government. He explained that TCC is also a member of the Alaska Native Health Board which is a nonprofit that assists in implementation of tribal self-determination through advocacy.

CHIEF SIMON stated that TCC utilizes services from every division of the Department of Health and Social Services (DHSS), and is disproportionately represented as beneficiaries of

these programs. He shared that TCC is a co-signer to the Alaska Tribal Health Compact and the Alaska Child Tribal Welfare Compact and has worked along-side the state through many administrations on various work groups and collaborations.

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CHIEF SIMON said TCC does not support the bifurcation, as it would create a separation between programs and services that are necessarily intertwined. He stated that the proposed separation of the Office of Children's Services (OCS), the Division of Public Assistance, and the Division of Behavioral Health is baffling, because OCS couldn't support families in crisis without working with the other divisions. He argued that similar comments could be made about the Division of Juvenile Justice because of the need for behavioral health intervention. He continued, asking the justification of splitting the Alaska Pioneer Homes from the Division of Senior and Disability Services.

4:07:42 PM

CHIEF. SIMON stated that TCC is both a health agency and a social services agency. He argued that one system makes sense because they are able to provide holistic, wraparound, and patient centered services. He said TCC achieved less overhead and a reduction in positions by keeping services under one roof. He offered an example wherein patient presents at the clinic and has a food security issue, and a case manager is able to contact the client services division and connect the patient with the necessary services. He continued listing the benefits for tribal members of the interconnected design of TCC.

CHIEF SIMON said DHSS's frequently asked questions page indicated that this change is being made to "streamline the focus of the Department of Health" and to "make meaningful interventions for those Alaskans who are experiencing crisis or supporting their loved ones." He argued that it is unclear how the proposal will meet either objective, especially in a time when the state budget is in crisis. He argued that there is no data or information on how this new unit will lead to better healthcare delivery. He said the data did not justify the creation of a new department, which would mean a new commissioner, staffing, facility, and other costs.

CHIEF SIMON argued this is money the state does not have. He recounted that over the past few years, the state has been in a

crisis due to declining oil revenue, and the insufficiency of other revenue sources to support basic state services. He argued that there have been annual budget cuts that led to reduced services championed by the current administration. He opined that in the midst of this financial environment, splitting DHSS did not make sense and would lead to larger cuts in services down the road.

[4:12:04 PM](#)

CHIEF SIMON said CCT seeks to work with the commissioner to ensure any reorganization of DHSS benefits Alaskans. He disagreed with the administration that the proposed reorganization would amount to minimal additional costs, since the units already exist. He then challenged the idea that the reorganization would provide services to Alaskans better and more efficiently. He questioned how this would lead to better services if funds were diverted from actual services to administration.

CHIEF SIMON observed that the programs in the new Department of Family and Community Service are those the administration has tried to privatize. He said it was time for the state to provide these programs with the support they need and to stop expecting a private operator to do better.

CHIEF SIMON said that in conclusion, TCC does not support this proposal and believes it would lead to worse outcomes than the status quo. He reiterated that TCC is happy to collaborate with the state on ways that improve outcomes. He added that he hopes TCC and other tribes around the state are consulted before future proposals are announced. He requested more engagement and more tribal leaders at the table. He shared that 2,800 Alaska Native children were currently in foster care, making up 64 percent of all Alaska children in foster care. He said that an investment in children's services is an investment in the future of Alaska.

[4:15:36 PM](#)

REPRESENTATIVE SPOHNHOLZ commented that Chief Simmon's insights were very important and asked him what meaningful stakeholder engagement would look like, and whether he felt like it had taken place.

CHIEF SIMON responded that TCC would like more Alaska Native leaders meeting with DHSS, and to be more involved in decisions.

He said they were not engaged before the governor made this proposal. He commented that being in children's services is very tough, and family separation is hard. He argued that the children's safety is jeopardized by the proposed structure.

REPRESENTATIVE SPOHNHOLZ asked Chief Simon what would meaningful stakeholder engagement about splitting DHSS look like, and if he had a sense of what a process would look like before he would feel comfortable supporting a potential split of DHSS.

CHIEF SIMON replied that TCC was not engaged before this decision was made by the Office of the Governor. He said he felt [splitting the department] was not very helpful, especially not while the state was in decline over oil revenue and during a pandemic.

[4:18:50 PM](#)

REPRESENTATIVE PRAX asked about how TCC works. He asked if TCC provides services or refers to other service providers.

CHIEF SIMON answered that TCC provides services and described it as a "one-stop-shop."

REPRESENTATIVE PRAX asked if TCC is encouraging more involvement by the tribes. He asked if children are being taken out of the Native culture through OCS.

CHIEF SIMON said that it is all about service, regardless of the children going to different types of families. He said the children and their safety were of upmost priority. He emphasized the committee members were discussing children's lives. He again noted that 64 percent of children in foster care are Alaska Native.

REPRESENTATIVE PRAX replied that he would like to chat more later.

CHIEF SIMON said that this is no disrespect to lawmakers. He explained that TCC is trying to deliver a high level of service in remote locations in a nonstandard fashion. He restated TCC felt strongly that DHSS splitting would only impede services. He said that when families are split up it is traumatic for all involved, and TCC strives to make it less traumatic.

[4:22:59 PM](#)

REPRESENTATIVE KURKA said he appreciated Chief Simon's comments and concerns about the trauma being done to children. He shared that he has not decided if is for or against the bifurcation, but the current system does not work. He said the statistics he was hearing were horrible, and something was broken. He shared that several of his family members are foster parents and he had heard case workers speak positively towards the change.

[4:25:27 PM](#)

CO-CHAIR ZULKOSKY asked Ms. Biggs if she can help the committee identify with Representative's Kurka's comments if it is a structural issue with the department, or if it is an issue of the culture and environment of the department.

MS. BIGGS responded that what Co-Chair Zulkosky said was true, and it was an issue of caseloads and high turnover. She said this is why Casey Family Programs is a proponent of having tribes increasingly take care of their children with support and services so that these outcomes improve, which would also alleviate stress on OCS.

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CHIEF SIMON commented that it isn't about culture; it is about providing a high level of service. He said all the employees with TCC are doing the very best they can to provide opportunities for children.

[4:28:41 PM](#)

CO-CHAIR ZULKOSKY announced that EO 119 was held over.

HB 76-EXTENDING COVID 19 DISASTER EMERGENCY

[4:29:39 PM](#)

CO-CHAIR ZULKOSKY announced that the final order of business would be HOUSE BILL NO. 76, "An Act extending the January 15, 2021, governor's declaration of a public health disaster emergency in response to the novel coronavirus disease (COVID-19) pandemic; providing for a financing plan; making temporary changes to state law in response to the COVID-19 outbreak in the following areas: occupational and professional licensing, practice, and billing; telehealth; fingerprinting requirements for health care providers; charitable gaming and online ticket sales; access to federal stabilization funds; wills; unfair or

deceptive trade practices; and meetings of shareholders; and providing for an effective date."

4:30:17 PM

ADAM CRUM, Commissioner, Department of Health and Social Services, presented HB 76 on behalf of the bill sponsor, House Rules by request of the governor. He explained that HB 76 was introduced by the governor pursuant to AS.26.23.020 and AS 26.23.025. He explained that these two statutes provide that a disaster proclamation may not remain in effect longer than 30 days unless extended by the legislature and provides what information is required to the legislature when the governor declares a condition of disaster emergency concurrently with the issue of a proclamation.

COMMISSIONER CRUM said that on January 15, 2021, the governor issued a proclamation of a public health disaster emergency in response to the COVID-19 pandemic. He noted that a bill was transmitted to the House on January 21, 2021, proposing to extend the public health disaster emergency to September 30, 2021, or until the commissioner of DHSS certified that there is no longer an outbreak of COVID-19. The bill also includes other provisions to protect the public and economic health of the state. He explained that absent legislative action, the public health emergency expired on February 14, 2021.

COMMISSIONER CRUM shared that the administration evaluated the current COVID-19 response. He said this involved evaluating previous response efforts authorities provided under the Alaska Disaster Act and the current statutory authority under the Alaska Public Health Emergency. He shared that DHSS also met with numerous stakeholders and providers to discuss operations and response efforts if the disaster declaration wasn't extended, and the department received feedback.

COMMISSIONER CRUM paraphrased the beginning of subsection (e) of AS 26.23.020, which read as follows:

(e) A proclamation of a disaster emergency activates the disaster response and recovery aspects of the state, local, and interjurisdictional disaster emergency plans applicable to the political subdivisions or areas in question

COMMISSIONER CRUM explained this allowed for unified command structure to support local jurisdictions and the statewide public healthcare system and response to the pandemic.

[4:34:47 PM](#)

COMMISSIONER CRUM continued in explaining the impact of HB 76. He paraphrased subsection (f), which read as follows:

(f) During the effective period of a disaster emergency, the governor is commander in chief of the organized and unorganized militia and of all other forces available for emergency duty. The governor may delegate or assign command authority by appropriate orders or regulations.

COMMISSIONER CRUM said this allowed the administration to use the National Guard for certain response purposes such as contact tracing.

COMMISSIONER CRUM paraphrased subsection (g), paragraph (1), which read as follows:

(g) In addition to any other powers conferred upon the governor by law, the governor may, under AS 26.23.010 - 26.23.220,

(1) suspend the provisions of any regulatory statute prescribing procedures for the conduct of state business, or the orders or regulations of any state agency, if compliance with the provisions of the statute, order, or regulation would prevent, or substantially impede or delay, action necessary to cope with the disaster emergency;

COMMISSIONER CRUM explained this was used for emergency procurement contracts for additional cold chain shippers of testing and supplies and hiring of personnel to support public health plans. He shared that it also allowed for increased flexibility in how the state cared for and provided services to populations in congregate settings and facilities.

COMMISSIONER CRUM said the state did not use the authority from paragraph (2) of subsection (g). He drew attention to paragraph (3), which read as follows:

(3) transfer personnel or alter the functions of state departments and agencies or units of them for the purpose of performing or facilitating the performance of disaster emergency services;

COMMISSISONER CRUM explained that the state repurposed the Division of Public Health to respond to COVID-19.

COMMISSIONOR CRUM skimmed through the rest of subsection (g) and highlighted paragraphs used in response to the COVID-19 pandemic. He explained that paragraph (7) was the authority used to implement testing requirements for travel. He said that paragraph (9) was used for non-congregate housing for the homeless, for travelers that tested positive, and for healthcare workers. He said that paragraph (10) was used to distribute personal protective equipment (PPE), testing supplies, and vaccines and therapeutic treatment. He pointed out that the administration did not use paragraphs (4), (5), (6), (8) or (11).

[4:38:13 PM](#)

COMMISSIONER CRUM summarized that not all these authorities were used. He noted that of the authorities that were used, they were not all necessarily utilized at the same time. He then asked, "How does Alaska proceed to a recovery phase, moving beyond the disaster and emergency?" He said the state could take a more limited approach. He argued this will also help the state's economic metrics.

COMMISSIONER CRUM reiterated that through the evaluative process the administration went through after the disaster declaration expired on February 14, 2021, the administration realized it didn't need all the authorities available under the Alaska Disaster Act. He explained that the administration hopes to use a more targeted approach by using uncodified law to establish the needed authorities. He said the authorities that are identified as important include allowing the Department of Health and Social Services (DHSS) to manage vaccine distribution and the therapeutic response to COVID-19, and to allow DHSS to cooperate with the Federal Government, with respect to blanket waivers, the 1135 Waiver, Appendix K authorities, as well as the application and distribution of Emergency Allotment (EA) Supplemental Nutrition Assistance Program (SNAP) benefits.

COMMISSIONER CRUM said another part was to allow the Department of Military & Veterans' Affairs (DMVA) to assist DHSS. He said

the DMVA would receive authority from the governor to allow activation of the Alaska Guard to respond to the pandemic and coordinate with the Federal Emergency Management Agency (FEMA). He said there was also the authority for the use of telehealth and telemedicine for healthcare providers currently licensed in another state, as well as immunity for employers, governmental agencies, or persons engaged in the state response.

COMMISSIONER CRUM summarized his presentation. He stated that the administration understood Alaska's need to progress to a recovery phase, but also to have the tools to respond as things change. He said it is possible to continue a safe response plan without providing the broad authority of a public health emergency disaster declaration. He noted that standalone bills had been introduced in the other body to address changes for shareholder meetings, licensing issues, and telemedicine.

[4:42:35 PM](#)

CO-CHAIR SNYDER asked Commissioner Crum if he had a presentation to go with his testimony.

COMMISSIONER CRUM said [there was no presentation].

CO-CHAIR SNYDER asked if Commissioner Crum's testimony meant the administration was backing away from the need for HB 76.

COMMISSIONER CRUM replied yes. He said that when the declaration expired, the administration had to determine how it would maintain the response. From that, the administration identified what was needed to have legal coverage going forward and to make sure it could continue distributing the vaccines and therapeutics. He said that from public response there was concern about using the Disaster Declaration Act any further. He said the administration had been trying to work with federal partners to make sure that any specific language necessary gave the administration the cover needed to continue the response.

[4:44:51 PM](#)

REPRESENTATIVE MCCARTY clarified that the state felt it was no longer in an emergency status with COVID-19 and asked if that was the reasoning for changing the decision.

COMMISSIONER CRUM answered that it has to do with the definition of the word "disaster." He said the words carry "a certain connotation." He acknowledged that there was a current public

health emergency, but said it was "with a little 'e' and not a capital." He stated that the administration has identified ways it can still access the necessary authorities.

REPRESENTATIVE MCCARTY asked if the state's new status of not having an emergency in place had any bearings on federal COVID-19 funds.

COMMISSIONER CRUM responded that the two items tied to state action were the non-congregate sheltering order, which was being worked on with FEMA, and the EA SNAP benefits. He said this could be tied into a law that would be used for future approvals.

REPRESENTATIVE MCCARTY asked if this has any bearing on data collection to assess if COVID-19 is becoming better or worse.

COMMISSIONER CRUM responded that data collection is still possible through standing authority.

[4:47:47 PM](#)

REPRESENTATIVE SPOHNHOLZ asked how this changed the ability to require testing for non-residents who come into the state. She noted that much of Alaska has limited healthcare, and this had been an important measure to prevent the spread of COVID-19.

COMMISSIONER CRUM responded that the authorities the state requested do not include the authority to require pre-travel testing.

REPRESENTATIVE SPOHNHOLZ asked for clarification if Commissioner Crum didn't think it's necessary for non-residents to get tested if and when they come into Alaska.

COMMISSIONER CRUM said it is important to identify who is coming into the state and shared that now the administration is working directly with the tourism industry. He said the barriers [for testing] had been removed by keeping the infrastructure in place and removing the testing fee.

REPRESENTATIVE SPOHNHOLZ commented that the commissioner is trying to adapt, and she appreciated that. She expressed that she thought it in an important public health measure to require testing for people coming into Alaska. She pointed out that Alaska has a high number of non-resident workers and tourists.

COMMISSIONER CRUM agreed that it has been an important tool.

[4:50:52 PM](#)

CO-CHAIR SNYDER brought up that on January 14, 2021, when the last disaster declaration passed, Alaska had 193 [new cases of COVID-19], food insecurity at about 12 percent, and unemployment claims remained elevated. She also pointed out that that day Alaska had 124 new cases with increasing food insecurity. She opined that the current statistics were similar [to when the last disaster declaration was issued], but the administration was pursuing authority in a more piecemeal fashion and asked for explanation on Commissioner Crum's strategy.

COMMISSIONER CRUM responded that DHSS is trying to operate in a timely manner, and that is why there is a trimmed down response. He said they had to adjust [without the approval for a new declaration] on February 14, 2021. He pointed out that the distribution of the vaccine has been a priority and has helped reduce hospitalizations from COVID-19.

[4:53:26 PM](#)

REPRESENTATIVE KURKA asked how many positive cases of COVID-19 were found by testing travelers, thus resulting, in preventing those cases from entering Alaska. He then said that he understood that contact tracing was possible in the beginning, but his perception was that it fell apart because there were so many cases. He asked what the point of screening was if the state could no longer contact trace.

COMMISSIONER CRUM turned to Heidi Hedberg to address the question.

[4:54:53 PM](#)

HEIDI HEDBERG, Director, Division of Public Health, Department of Health and Social Services, answered questions about HB 76. She said airport testing began on June 6, 2020, and it has screened almost 500,000 travelers and identified almost 3000 positives. She opined that it had been a successful endeavor. In terms of contact tracing, she said DHSS engaged in contact tracing once it found someone was positive and asked the individual to notify everyone that he/she came into contact with for more than 15 minutes within six feet. She stated that that had really helped to lower the number of positive cases.

REPRESENTATIVE KURKA asked what percentage of cases are successfully tracked through contact tracing.

DIRECTOR HEDBERG said DHSS would have to follow up with that, but they do use a database. She said they could compare percentages of where individuals were exposed, although that varied through communities across the state.

REPRESENTATIVE KURKA commented that it was clear from DHSS's online information dashboard how many ICU beds are being used for COVID-19 patients. He asked what the number of active cases was, rather than new cases.

[4:58:52 PM](#)

COMMISSIONER CRUM shared that underneath the dashboard one can download raw summary data to look at patients on the COVID-19 aspect.

[4:59:26 PM](#)

DIRECTOR HEDBERG responded that when it comes to active cases, the Center for Disease Control (CDC) said individuals need to quarantine for 10 days, but some individuals can be symptomatic for much longer. She said during the summer DSS removed the "recovered" cases from the dashboard because it is person specific.

[5:00:28 PM](#)

CO-CHAIR ZULKOSKY shared that they have run out of time and asked if the commissioner could be available during the next meeting for additional questions.

COMMISSIONER CRUM said he would be there.

[5:01:14 PM](#)

REPRESENTATIVE SPOHNHOLZ clarified a misunderstanding that 64 percent of Alaska Native children are not in foster care, rather 64 percent of children in foster care are Alaska Native. She shared that there are 190,000 children in Alaska, and about 38,000 of them are Native. Alaska only has 2,800 children in foster care, she explained.

CO-CHAIR ZULKOSKY announced that HB 76 would be held over.

5:02:34 PM

ADJOURNMENT

There being no further business before the committee, the House Health and Social Services Standing Committee meeting was adjourned at 5:03 p.m.